

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF PENNSYLVANIA**

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**IN RE: CERTAINTEED CORPORATION  
ROOFING SHINGLES PRODUCTS  
LIABILITY LITIGATION**

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**MDL DOCKET NO. 1817**

**This Report relates to:**

**ALL CASES**

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**PRELIMINARY REPORT OF CERTAINTEED CORPORATION UNDER  
SECTION 4.33 OF THE AGREEMENT OF SETTLEMENT AND COMPROMISE AS  
AMENDED FILED ON DECEMBER 29, 2009**

Pursuant to Paragraph 6 the Court's Order entered August 31, 2010, and Paragraph 4.33 of the Agreement of Settlement and Compromise as Amended filed on December 29, 2009 (the "Settlement Agreement"), CertainTeed files this preliminary report concerning the allowance and disallowance of claims since the October 1, 2010, Effective Date of the Settlement Agreement. The Settlement Agreement provides that the report must be filed on the first anniversary of the October 1, 2010, Effective Date of the Settlement Agreement. Because the September 2011 data is not yet available, this Report provides aggregate data for the eleven-month period from October 1, 2010, through August 31, 2011. CertainTeed will provide the data for the entire 12-month period, including the claimant-specific data required by the Court's Order, within the month.

Class members in this case are defined as follows:

All individuals and entities that own, as of [December 15, 2009], homes, residences, buildings, or other structures located in the United States or Canada whose roofs contain or contained roofing shingles made with a felt reinforcement base material that is saturated with asphalt, also known as organic roofing shingles, manufactured by CertainTeed after July 1, 1987; all individuals and entities who previously owned such a building and who, prior to [December 15,

2009] sold or transferred the building and at the time of the sale or transfer retained the right to make a claim for the shingles pursuant to a valid documented assignment; and all individuals and entities who owned such a building and who, between August 1, 2006, and [October 1, 2010], have settled . . . their warranty claims for such shingles.

During the period October 1, 2010, through August 31, 2011, 63,199 claims forms were submitted. During the same period, CertainTeed reviewed, processed and paid a total of \$71,731,683 to 56,319 Class Members. These payments included a total of \$646,503 in payments of up to \$50 per claim to defray the cost of removing and shipping shingle samples to CertainTeed pursuant to Section 4.6 of the Settlement Agreement. The remaining amount, \$71,085,180, was paid to class members in accordance with the character of their claims under the Settlement Agreement. -- warranty claims, transferee claims, and releaser claims. CertainTeed will provide category specific information about the total number of claimants paid and the total amount paid by category of claim, as well as the average amount paid per claimant by category, when CertainTeed files its complete report for the 12-month reporting period.

During the eleven months ending August 31, 2011, CertainTeed has denied a total of 6,729 claims. Over half of these denied claims consist of claims of releasers who had already received consideration equal to the value of the payment they were eligible to receive under the Settlement Agreement, either in cash or in replacement shingles, and who, therefore, were not eligible to receive additional consideration under the Settlement Agreement.

A substantial majority of the remaining denied claims were denied because the claimant was not a class member: that is, the claimants had fiberglass rather than organic shingles; the claimants had shingles not manufactured by CertainTeed; the claimants had signed a release prior to August 1, 2006; the claimants had purchased the building on which the shingles were installed after December 15, 2009; the claimants had shingles that were installed prior to July 1,

1987; the claimants filed claims regarding shingles with warranties that had previously expired; or the claimants had previously litigated their claims to conclusion in another court.

Fewer than 75 claims were denied because the shingles did not exhibit "Damage" as defined in Section 3.6 of the Settlement Agreement. No claims were denied on the basis of the causation defenses set forth in Section 3.7 of the Settlement Agreement.

For all claims filed, CertainTeed has complied with the time limits for processing the claims identified in Paragraph 4.17 of the Settlement Agreement.

To date, there have been very few requests for an appeal. None have been processed because counsel are currently negotiating the selection of the Independent Claims Administrator provided for in Section 4.19 of the Settlement Agreement. Counsel have agreed to extend the deadlines for filing appeals pending the selection of the Independent Claims Administrator and expect to reach resolution on this issue shortly.

Respectfully submitted,

/s/Arlene Fickler  
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Dated: October 3, 2011

**CERTIFICATE OF SERVICE**

I, Arlene Fickler, hereby certify that I caused a true and correct copy of the foregoing Preliminary Report of CertainTeed Corporation Under Section 4.33 of the Agreement of Settlement and Compromise As Amended Filed On December 29, 2009 to be filed and served today, October 3, 2011, via the Court's ECF system, where it is available for viewing and downloading.

/s/Arlene Fickler  
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